

File No. 231279

Committee Item No. 5

Board Item No. 23

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: April 4, 2024

Board of Supervisors Meeting:

Date: April 16, 2024

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Introduction Form
<input type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU - FY2022-2024 - Clean
<input type="checkbox"/>	<input type="checkbox"/>	MOU - FY2022-2024 - Redline
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input type="checkbox"/>	<input type="checkbox"/>	Contract / DRAFT Mills Act Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

OTHER

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Annual Report FY 2021-2022</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Financial Statements 063022</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>OEWD Memo 121023</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>FYI Referral 121823</u>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>OEWD Presentation 040424</u>
<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>
<input type="checkbox"/>	<input type="checkbox"/>	<u> </u>

Prepared by: Monique Crayton

Date: March 29, 2024

Prepared by: Monique Crayton

Date: April 12, 2024

Prepared by:

Date:

1 [Discover Polk Community Benefit District - Annual Report - FY2021-2022]

2
3 **Resolution receiving and approving an annual report for the Discover Polk Community**
4 **Benefit District for Fiscal Year (FY) 2021-2022, submitted as required by the Property**
5 **and Business Improvement District Law of 1994 (California Streets and Highways**
6 **Code, Sections 36600, et seq.), Section 36650, and the District's management**
7 **agreement with the City, Section 3.4.**

8
9 WHEREAS, On May 22, 2018, pursuant to the Property and Business Improvement
10 District Law of 1994 (the "Act"), California Streets and Highways Code, Sections 36600 *et*
11 *seq.*, as augmented by Article 15 of the San Francisco Business and Tax Regulations Code,
12 the Board of Supervisors adopted Resolution No. 171-18, expressing the City's intention to
13 establish the Discover Polk Community Benefit District (the "Discover Polk CBD"); and

14 WHEREAS, On July 24, 2018, the Board of Supervisors adopted Resolution
15 No. 238-18 establishing the Discover Polk CBD ("Resolution to Establish") for a period of 10
16 years, commencing fiscal year (FY) 2018-2019; and

17 WHEREAS, On November 13, 2018, the Board of Supervisors adopted Resolution No.
18 402-18, authorizing an agreement with the owners' association for the
19 administration/management of the Discover Polk CBD, and a management agreement (the
20 "Management Contract") with the owners' association, the Discover Polk Community Benefit
21 District, was executed accordingly; and

22 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
23 of Supervisors in File No. 181035; and

24 Whereas, On November 29, 2022, the Board of Supervisors approved the Discover
25 Polk CBD's annual reports for fiscal year 2020-2021 in Resolution No. 504-22; and

1 WHEREAS, The Discover Polk CBD has submitted for the Board's receipt and
2 approval the Discover Polk annual report for fiscal year 2021-2022 as required by Section
3 36650 of the Act and Section 3.4 of the Management Contract; and

4 WHEREAS, The Annual Report is on file with the Clerk of the Board of Supervisors in
5 File No. 231279, and is incorporated herein by reference as though fully set forth; and

6 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
7 memorandum report from the City's Office of Economic and Workforce Development, dated
8 July 20, 2022, and documentation from the Discover Polk CBD for the Annual Report is on file
9 with the Clerk of the Board of Supervisors in File No. 231279; now, therefore, be it

10 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
11 report for the Discover Polk Community Benefit District for fiscal year 2021-2022.



ANNUAL REPORT

FY 2021/2022

Discover Polk Community Benefit District

www.discoverpolk.org | PO Box 642097 | San Francisco, CA 94164





EXECUTIVE SUMMARY

Discover Polk is a unique Community Benefit District in that seventy-eight percent (78%) of the parcels in the six-block long district are condominiums, and that there are 37 mixed-use buildings with residential rental units above the street level and two single-room occupancy hotels. There are three houses of worship and an eclectic mix of businesses, many of which have been on Polk Street for decades. Incorporated as a 501 (c)(3) in September 2018, Discover Polk CBD (“DPCBD”) was sanctioned by a City agreement on 20 November 2018, and received its first assessments in early January 2019.

During FY21-22 DPCBD focused its resources on two well-defined objectives, which coincidentally aligned themselves to the two halves of the fiscal year: For the first two quarters, DPCBD continued to help the community weather the impacts of the COVID-19 lockdown as it had since March of 2020; And for the second two quarters, we adapted to the new realities of the “post-acute” phase of the pandemic.

From July 1st 2021 to approximately December 31st, DPCBD devoted its time and resources toward streetscape improvements and small-scale, outdoor community events, as well as supporting property owners, merchants, and residents to address the impacts of lockdown.

From approximately January 31st to June 30th 2022, DPCBD saw a return to more “normal” behaviors and community activity. On the positive side, this meant the return of visitors to our streets, customers, and in person gatherings – most notably the launch of our yearly district-wide music festival, Pickin’ on the Polk. On the negative side, the district was forced to come to terms with the lingering effects in street conditions, public safety issues, vandalism, and changes in consumer behavior that appear to be the “new normal” for the foreseeable future.

Overall, FY 21/22 was an opportunity for DPCBD to showcase the neighborhood in a way that was impossible during the previous two years of lockdown.



STATUS AND PROGRESS OF DISTRICT PROGRAMS

MANAGEMENT AND OPERATIONS

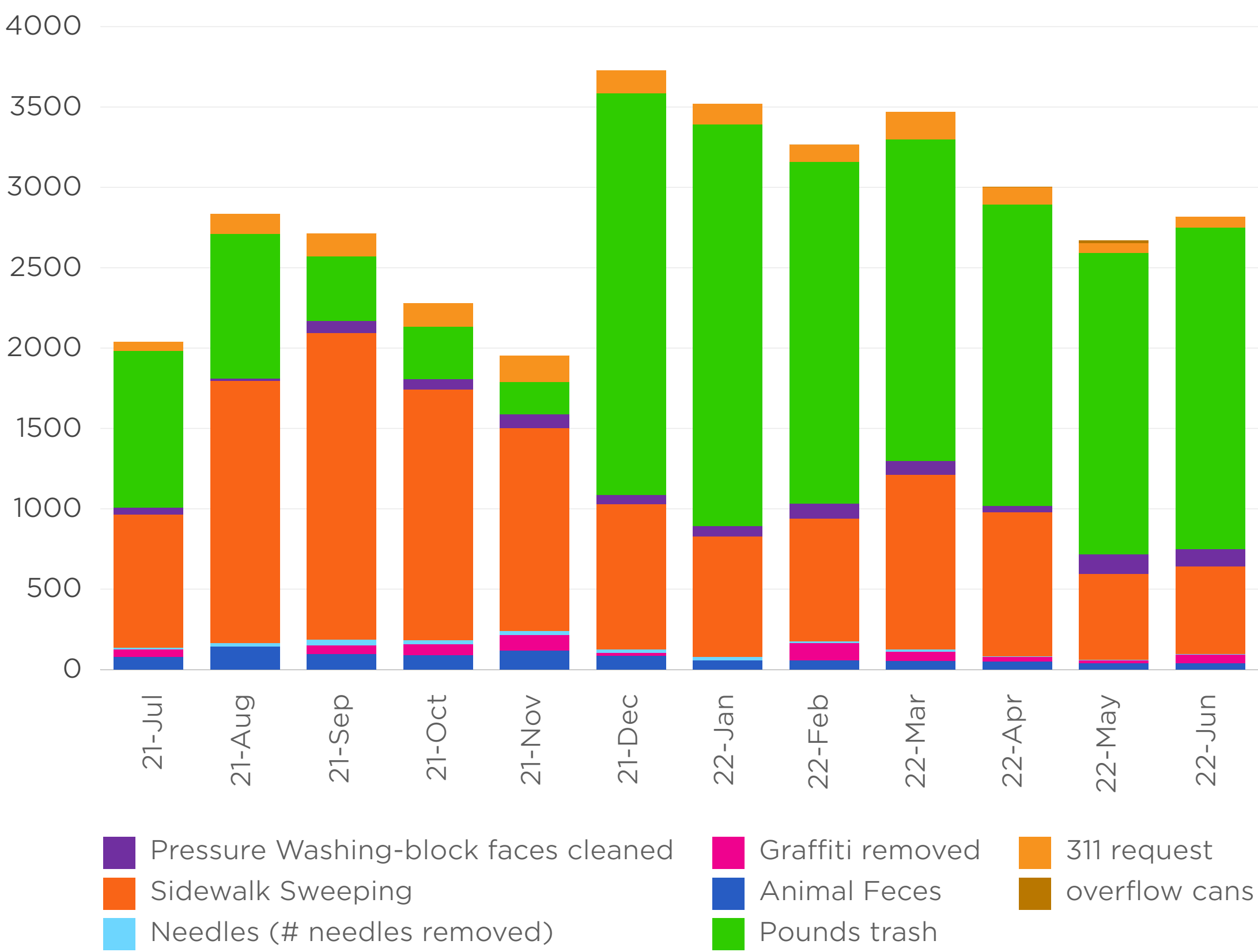
- Board & Staff
 - Accepted the retirement of Gilbert Ho, Tiffany Yang and Annie Yang from the board. Gilbert and Tiffany moved to other cities. Annie finished her Board term and expressed a desire to focus her energy on her career and family.
 - Nominated & elected a new board members, Josie Li and Andre Torrey, as a small business owner and board member at large respectively to serve on the board.
- Operations
 - No significant changes occurred affecting operations in FY 21/22.
 - StreetPlus continued to operate continuously throughout FY 21/22. After the board agreed unanimously to increase starting hourly pay for entry-level cleaning workers, StreetPlus was able to recruit five quality new members in the latter half of the fiscal year and reached (near) full staffing levels for the first time in their contract.

NEIGHBORHOOD CLEANLINESS

- FY21-22 continued to see higher levels homelessness activity. As customer and residents returned to the streets, however, the overall cleanliness of the streets saw noticeable improvement.
- The StreetPlus team consistently accomplished their cleaning, graffiti abatement, and steam cleaning/power washing goals.
- Three of our five Big Belly trash cans were destroyed by an arsonist, but DPCBD swiftly replaced them with new cans.

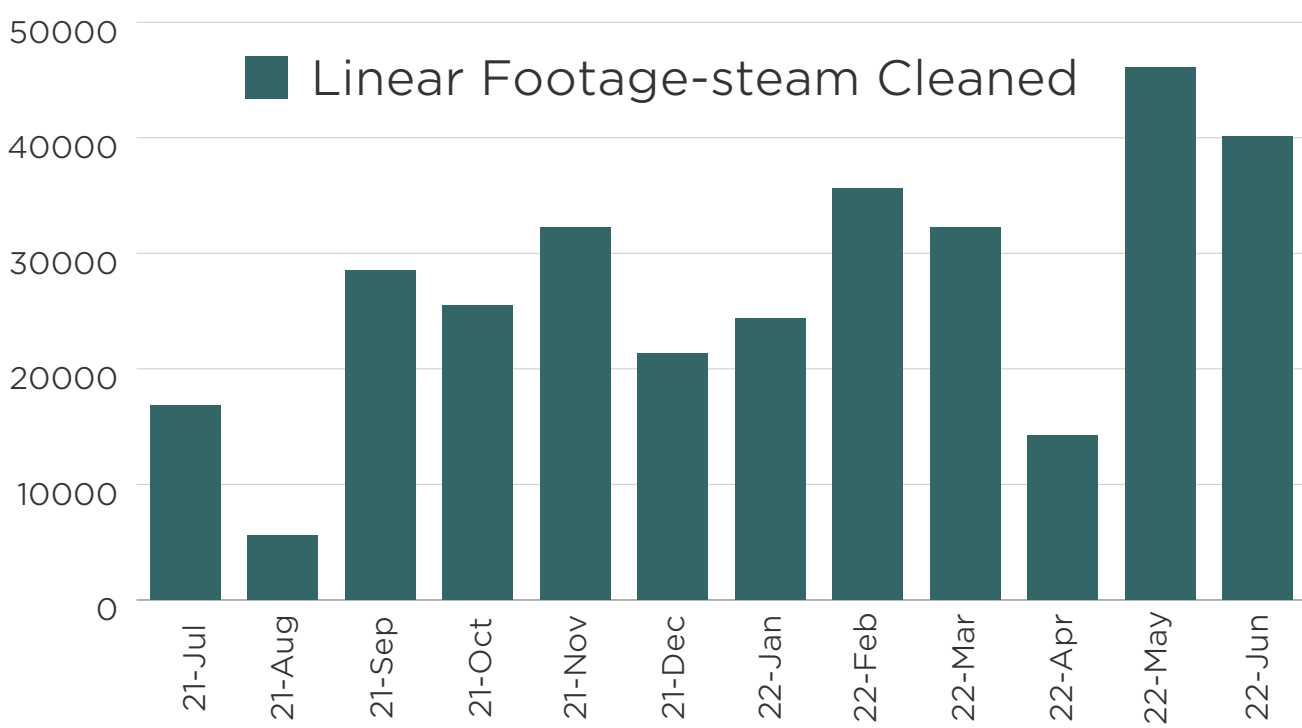
STATUS AND PROGRESS OF DISTRICT PROGRAMS

• Statistical Summaries of Services Provided by StreetPlus & Big Belly for FY 21/22



Month	Animal Feces	Graffiti Removed	Needles (# Needles Removed)	Sidewalk Sweeping	Pressure Washing (Block Faces Cleaned)	Pounds Trash	311 Rquests	Overflow Cans
21-Jul	77	49	10	826	45	975	56	0
21-Aug	142	0	22	1629	15	900	126	0
21-Sep	94	57	35	1906	76	400	145	0
21-Oct	87	70	25	1558	68	325	144	0
21-Nov	115	99	24	1264	86	200	163	0
21-Dec	86	15	25	901	57	2500	144	0
22-Jan	56	0	20	750	65	2500	128	0
22-Feb	54	109	12	761	95	2125	110	0
22-Mar	52	57	14	1089	86	2000	171	0
22-Apr	50	27	4	897	38	1875	108	4
22-May	38	17	5	532	123	1875	64	16
22-Jun	39	52	4	547	107	2000	66	0
Total	890	552	200	12660	861	17675	1425	20

Month	Linear Footage-steam Cleaned
21-Jul	16875
21-Aug	5625
21-Sep	28500
21-Oct	25500
21-Nov	32250
21-Dec	21375
22-Jan	24375
22-Feb	35625
22-Mar	32250
22-Apr	14250
22-May	46125
22-Jun	40125
Total	322875



STATUS AND PROGRESS OF DISTRICT PROGRAMS

BRANDING, ACTIVATION & MARKETING

- The Executive Management Team commenced regular meetings of the Marketing & Communications Working Group with the Board.
- The team focused on growing DPCBD's "Master Comms List," releasing regular, monthly newsletters, and building organic growth of DPCBD's social media platforms: Instagram, Facebook, and Twitter.

EVENTS & PLACEMAKING

- Funded and facilitated installation of two large scale murals in partnership with Painting the Void
 - First on Cheese Plus gourmet deli
 - Second on Brownie's Hardware
- Hosted two family-focused events at Helen Wills Park that included face painters, bouncy houses, and balloon-animal-artistes.
 - One of these events was in partnership with the City of SF's Fleet Week Celebration and included the Marine Brass Band which performed on the corner of Polk & Jackson Streets.
 - The other was a holiday event that also included a visit from Santa Claus.
 - Each event attracted over 200 children and families who expressed overwhelming gratitude for free family-focused events in DPCBD.
- Produced and executed the first annual "Pickin' on the Polk" music festival which took place on the Friday and Saturday of Easter Weekend, 2022.

- Showcased bluegrass music with a large portion of other eclectic forms of music.
- Worked directly with production team responsible for Hardly Strictly Bluegrass to execute.
- While the event did involve a small street closure on a single block of Polk Street, most of music was showcased inside our local businesses.
- Event had 18 individual concerts over the course of the two days spread out throughout the district.
- Continued to augment our tree lights throughout the district in partnership with SF Holiday Lighting Pros. Added bistro style lights to significant portions of Polk St. and maintained the current tree lights that were installed in FY20-21.
- Renewed contract for the flag style banners on Polk Street advertising DPCBD's various offerings (e.g. shopping, dining, etc.).

COMMERCIAL VACANCIES AS OF JUNE 30, 2021: (SEE ATTACHED AS EXHIBIT A)

- Eight (8) of these have been vacant for between one and six years. Five (5) of these eight (8) units are owned by two (2) property owners, neither of whom appears to be motivated to lease their properties.
- Two (2) of the thirty (30) vacancies have submitted applications to planning and are awaiting initial hearings

STATUS AND PROGRESS OF DISTRICT PROGRAMS

FINANCIAL REPORTING

Statement of Operations (Actual vs. Budget)

for the fiscal year ended June 30, 2022

	Actual	Budget	Variance Positive/ (Negative)
REVENUE AND SUPPORT			
Assessments	635,983	696,640	(60,657)
Fundraising/In-Kind	69,355	33,295	36,060
Interest Income	0	0	0
TOTAL REVENUE AND SUPPORT	705,338	729,935	(24,597)
EXPENSES			
Clean & Safe Program	426,313	497,462	71,149
Beautification & Placemaking	125,709	224,276	98,567
Marketing, Business Support, Etc	137,526	63,953	(73,574)
Administration & Reserve	59,472	68,756	9,284
TOTAL EXPENSES	749,020	854,446	105,426
Change in Net Assets	-43,682	-124,511	80,829
Prior Year Net Assets (Carryover)	806,367	806,367	0
TOTAL NET ASSETS	762,685	681,856	80,829

Statement of Financial Position

As of 06/30/2022

ASSETS

Cash and Cash Equivalents	755,042
Assessment and Other Receivables	36,909
Prepaid Expenses	4,200
Equipment, net	6,879
TOTAL ASSETS	803,030

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	40,344
TOTAL LIABILITIES	40,344

NET ASSETS

Without Donor Restrictions	762,685
With Donor Restrictions	
TOTAL NET ASSETS (CARRYOVER)	762,685
TOTAL LIABILITIES & NET ASSETS	803,030



STATUS AND PROGRESS OF DISTRICT PROGRAMS

FINANCIAL REPORTING

Budget

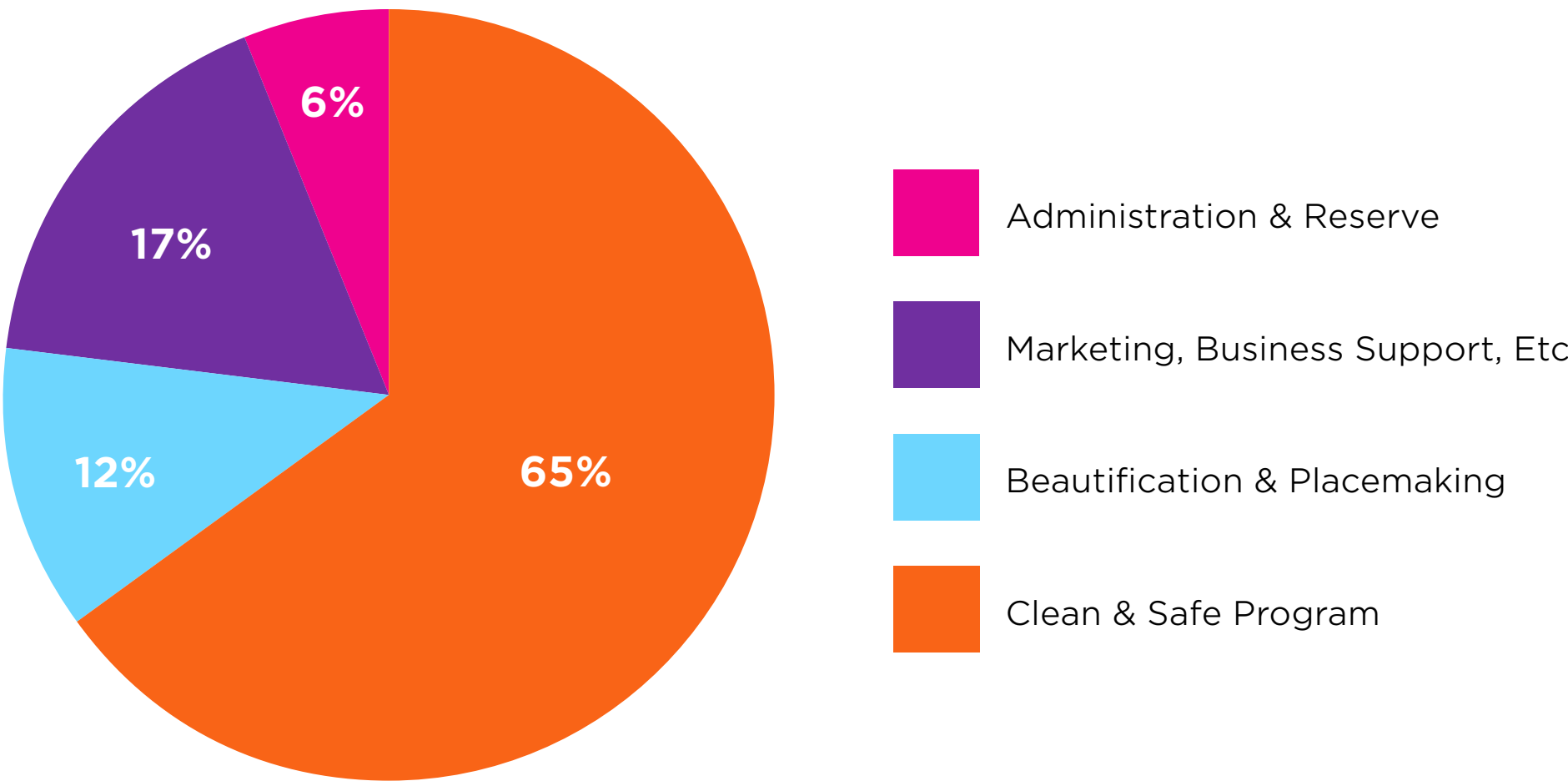
FY 2022-23

REVENUE AND SUPPORT

Assessments	667,001
Fundraising/In-Kind	25,526
Interest Income	0
TOTAL REVENUE AND SUPPORT	692,526

EXPENSES

Clean & Safe Program	552,413
Beautification & Placemaking	106,335
Marketing, Business Support, Etc	145,335
Administration & Reserve	49,766
TOTAL EXPENSES	853,849



STATUS AND PROGRESS OF DISTRICT PROGRAMS

FINANCIAL NOTES

Benchmark 1 – Budget Vs Management Variance

- Revenues and expenses followed very closely to plan for the fiscal year. Assessment revenues were lower than expected due to the COVID-19 crisis but were offset partially by lower-than-expected expenses.

Expense

- Overall expenses for the fiscal year are under budget by \$105,426

Clean & Safe

- Clean & Safe expenses are significantly under the budget by \$71,149 due to understaffing issues at StreetPlus mostly related to the COVID-19 crisis.

Beautification & Placemaking

- Beautification & Placemaking expenses are significantly under budget by \$98,567 due to billing of projects being pushed into FY2022-2023

Marketing & Business Support

- Marketing & Business Support expenses are \$73,574 over the budgeted plan due to expenses for our first annual Pickin' on the Polk music festival (which was included in the budget) being coded as Marketing & Business Support for the sake of our accounting.

Admin & Reserve

- Admin & Reserve expenses are \$9,284 under the budgeted plan.

Carryover Status

- DPCBD has a carryover of \$762,685

Other Notable Items

- DPCBD proceeded with fiscal caution throughout the COVID-19 crisis due to uncertainty on the impact of the pandemic on assessment revenues. Thankfully, the crisis did not impact assessment revenues significantly. The Board of Directors and Executive Management team plan to allocate more of the reserve funds toward meeting the district's objectives in FY2022-2023



DESCRIPTION AND STATUS OF EACH CONTRACT TO PROVIDE PROGRAMS/SERVICES

StreetPlus

DPCBD entered its first year of an automatic one (1) year Maintenance and Hospitality Services agreement extension on dated December 1, 2021 with StreetPlus. StreetPlus has been consistently meeting its prescribed qualitative and quantitative goals despite suffering from major staffing issues due to the COVID-19 crisis.

Executive Management Team (Tonic Nightlife Group)

There were no changes to the Executive Management Team or their contract.

Social Media & Marketing Manager

There were no changes to the Social Media Management Contract.



PREVIEW OF FY 2022/2023

DPCBD will focus its efforts in the next fiscal year toward making tangible improvements to the streetscape, growing our events (Halloween Event, Holiday Event, and Pickin' on the Polk music festival), and addressing issues around public safety.

Management & Operations

- StreetPlus
 - Work to achieve and maintain full staffing levels
 - Compile statistically significant data on cleanliness issues to better inform decisions by the Board and Executive Management Team on allocation of resources and advocacy

Clean & Safe

- Increase the number of graffiti abatement authorizations for private properties
- Hire a StreetPlus security “ambassador” to monitor safety issues, collaborate with the police in conjunction with the Executive Management Team, and provide outreach to unhoused members of the community to help them find services and shelter.
- Subsidize private cameras for businesses in crime/vandalism “hot spots” in the district that the DPCBD Executive Management Team can access to provide footage to the police and DA’s office.
- Add more Big Belly trash cans to the district

Marketing & Communications

- Grow communications list across all channels and increase engagements
- Build “historical archive” of written, photographed, and filmed material of district for use in further communications
- Contract with professional content developers (e.g. photographers, videographers, etc.) to upgrade online materials

Streetscape & Events

- Plan and execute three district-wide events: Halloween, Holiday, and Pickin' on the Polk Festival
- Install hanging flower boxes at intersections throughout the district
- Add murals in conjunction with Painting the Void to large blank walls with landlord/business authorization



EXHIBIT A – SUMMARY OF COMMERCIAL VACANCIES

APN	ADDRESS	USE	SQFT	FORMER USE	OWNER
0643-003	1529 Polk St.	Commercial	1600	Sofa Store	Smith-Brennan Properties LLC
0644-016	1540 Polk St	Residential Hotel (Mixed Use)	900	Dry cleaner (Anytime)	Wai-Man Lee
0574-018	1548 Broadway	Residential (Mixed Use)	2500	SignoGraphics	David Lipshultz
0643-001	1553 Polk St	Commercial	950	retail	Housser Family Trust
0621-013	1610 Polk St	Residential (mixed Use)	1000	salon	1688 Sacrametno Street LLC
0598-013	1629 Jakson St	Residential (mixed Use)	800	na	Wong Family LVG TR
0598-013	1631 Jackson St	Residential (mixed Use)	800	na	Wong Family LVG TR
0622-002	1639 Polk St	Residential (mixed Use)	1400	retail (panchos)	Tooran G Khayam-Bashi
0621-022	1640 Polk St	Commercial	8330	Grocery (Big Apple)	Joe & Annie Eng
0574-011	1648 Pacific Ave	Office Building	3000	Retail	1648 Pacific LLC
0574-012	1650 Pacific Ave	Commercial	7,762	TRX Gym/Corp	Griffith 1995 Credit Shelter
0595-008	1675 Pacific	Light Industrial	3,000	Car Repair	2050 Van Ness LLC
0619-005	1701 Polk St	Residential (mixed Use)	650	retail (Smith)	Wai-Man Lee
0619-005	1713 Polk St	Residential (mixed Use)	1103	florist	Wai-Man Lee
0619-002	1735 Polk St	Mix Flat & Store	5227	Restaurant	Nguyen Venture LLC
0620-019	1738 Polk St	Residential (mixed Use)	1680	Modern Design	Devpac LLC
0597-015	1800 Polk St	Residential (mixed Use)	1900	It's a Grind (coffee Shop)	Raymond Li Tom
0598-014/015	1801 Polk St	Commercial Condo	2100	Dry Cleaners	Polk/Washington Association LLC
0597-015	1804 Polk St	Residential (mixed Use)	800	Fregosi Paints	Raymond Li Tom
0619-150	1810 Van Ness Ave	Commercial Condo	2583	Gym	Channers Inc
0597-054	1812 Polk St	Commercial Condo		na	Karina Vaysman
0598-001	1841 Polk St	Commercial	1165.5	California Cowboy	Julian M Hersch Trust
0597-029	1850 Polk St	Commercial Condo	2000	Town School Closet	1850 Polk Street Properties
0619-012	1860 Van Ness Ave	Residential (mixed Use)	1179	n/a	WVN Association
0596-021	1906 Polk St	Commercial	1030	optometrist (Potsinelli)	Peter Gumina
0596-022	1920 Polk St	Commercial	1600	Frame-O-Rama	Peter Gumina
0598-010A	1946 Van Ness Ave	Industrial	7405	Bakery	1946 Van Ness Avenue LLC
0595-005	2000 Van Ness Ave	Office Building	1965	retail	H E I R Property Holdings LLC
0573-012	2060 Polk St.	Residential Hotel (Mixed Use)	525	cleaners	Raymond G & Loraine J Choy
0574-005	2023 Polk St	Residential (mixed Use)	1400	n/a	Rose Wing Properties
0573-011	2030 Polk St.	Residential Hotel (Mixed Use)			Karen Quon Revocable Trust
0595-008	2050 Van Ness Ave	Commerical	12242	Restaurant	2050 Van Ness LLC
0573-012	2056 Polk St	Residential Hotel (Mixed Use)	800	retail (cris consignment)	Raymond G & Lorraine Choy

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

FINANCIAL STATEMENTS

**For the Years Ended
June 30, 2022 and 2021**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Discover Polk Community Benefit District
San Francisco, California

Opinion

We have audited the accompanying financial statements of the Discover Polk Community Benefit District ("DPCBD") (a California nonprofit public benefit Corporation), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the DPCBD as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of DPCBD and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about DPCBD's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of DPCBD's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about DPCBD's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in cursive script that reads "Bunker & Company LLP".

November 28, 2022
Bunker & Company LLP
San Rafael, CA

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

STATEMENTS OF FINANCIAL POSITION
June 30, 2022 and 2021

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents (Note 2)	\$ 755,042	\$ 815,733
Assesment and other receivables	36,909	16,907
Prepaid expenses	4,200	3,000
Total current assets	<u>796,151</u>	<u>835,640</u>
Equipment, net of accumulated depreciation of of \$3,317 in 2022 and \$1,728 in 2021 (Notes 2 and 3)	<u>6,878</u>	<u>8,467</u>
Total assets	<u><u>\$ 803,029</u></u>	<u><u>\$ 844,107</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 29,810	\$ 27,746
Accrued liabilities	10,534	9,994
Total current liabilities	<u>40,344</u>	<u>37,740</u>
Total liabilities	<u>40,344</u>	<u>37,740</u>
Net assets		
Net assets without donor restrictions	762,685	806,367
Net assets with donor restrictions	<u>-</u>	<u>-</u>
Total net assets	<u>762,685</u>	<u>806,367</u>
Total liabilities and net assets	<u><u>\$ 803,029</u></u>	<u><u>\$ 844,107</u></u>

The accompanying notes are an integral part of these financial statements.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

STATEMENT OF ACTIVITIES
For the year ended June 30, 2022

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
REVENUE AND SUPPORT			
Assessment revenue	\$ 635,983	\$ -	\$ 635,983
Grant revenue	-	69,355	69,355
Total revenue, gains and other support	635,983	69,355	705,338
Net assets released from restrictions	69,355	(69,355)	-
	705,338	-	705,338
EXPENSES			
Program			
Environmental enhancements	552,022	-	552,022
Economic enhancements	137,525	-	137,525
Total program services	689,547	-	689,547
Supporting services			
Management and general	56,759	-	56,759
Fundraising	2,714	-	2,714
Total supporting services	59,473	-	59,473
Total expenses	749,020	-	749,020
Change in net assets	(43,682)	-	(43,682)
Net assets, beginning of year	806,367	-	806,367
Net assets, end of year	\$ 762,685	\$ -	\$ 762,685

The accompanying notes are an integral part of these financial statements.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

STATEMENT OF ACTIVITIES
For the year ended June 30, 2021

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
REVENUE AND SUPPORT			
Assessment revenue	\$ 636,322	\$ -	\$ 636,322
Grant revenue	-	13,645	13,645
Contributions	5,100	-	5,100
Total revenue, gains and other support	641,422	13,645	655,067
Net assets released from restrictions	13,645	(13,645)	-
	655,067	-	655,067
EXPENSES			
Program			
Environmental enhancements	386,417	-	386,417
Economic enhancements	27,260	-	27,260
Total program services	413,677	-	413,677
Supporting services			
Management and general	87,751	-	87,751
Fundraising	1,060	-	1,060
Total supporting services	88,811	-	88,811
Total expenses	502,488	-	502,488
Change in net assets	152,579	-	152,579
Net assets, beginning of year	646,468	7,320	653,788
Net assets reclassification	7,320	(7,320)	-
Net assets, end of year	\$ 806,367	\$ -	\$ 806,367

The accompanying notes are an integral part of these financial statements.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

STATEMENTS OF CASH FLOWS
For the years ended June 30, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>\$ (43,682)</u>	<u>\$ 152,579</u>
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,589	1,107
Changes in assets and liabilities		
Assessments and other receivables	(20,002)	(9,587)
Prepaid expenses	(1,200)	(2,693)
Accounts payable and accrued expense	2,604	27,540
Total adjustments	<u>(17,009)</u>	<u>16,367</u>
Net cash (used) provided by operating activities	<u>(60,691)</u>	<u>168,946</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in fixed assets	<u>-</u>	<u>(7,894)</u>
Net cash (used) by investing activities	<u>-</u>	<u>(7,894)</u>
Net change in cash and cash equivalents	(60,691)	161,052
Cash and cash equivalents, beginning of year	<u>815,733</u>	<u>654,681</u>
Cash and cash equivalents, end of year	<u><u>\$ 755,042</u></u>	<u><u>\$ 815,733</u></u>

The accompanying notes are an integral part of these financial statements.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2022

	Program Services			Support Services		
	Environmental Enhancements	Economic Enhancements	Total Programs	Management and General	Fundraising	Total
Cleaning and janitorial	\$ 309,349	\$ 479	\$ 309,828	\$ -	\$ -	\$ 309,828
Grant awards	-	1,700	1,700	-	-	1,700
Professional services	110,025	101,374	211,399	48,156	2,714	262,269
Rent, utilities and occupancy	122,192	650	122,842	1,091	-	123,933
Supplies, postage, printing, software	222	2,470	2,692	4,608	-	7,300
Dues, licenses, advertising	9,106	29,844	38,950	1,311	-	40,261
Travel and meals		996	996	377	-	1,373
Bank fees and interest	-	12	12	756	-	768
Depreciation and amortization	1,128	-	1,128	460	-	1,588
Total Expenses	<u>\$ 552,022</u>	<u>\$ 137,525</u>	<u>\$ 689,547</u>	<u>\$ 56,759</u>	<u>\$ 2,714</u>	<u>\$ 749,020</u>
Percent of Total	73.7%	18.4%	92.1%	7.6%	0.4%	100.0%

The accompanying notes are an integral part of these financial statements.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2021

	Program Services			Support Services		
	Environmental Enhancements	Economic Enhancements	Total Programs	Management and General	Fundraising	Total
Cleaning and janitorial	\$ 269,138	\$ -	\$ 269,138	\$ -	\$ -	\$ 269,138
Professional services	41,260	10,160	51,420	82,765	1,060	135,245
Rent, utilities and occupancy	50,240	-	50,240	1,836	-	52,076
Repairs and maintenance	24,207	-	24,207	-	-	24,207
Supplies, postage, printing, software	-	50	50	387	-	437
Dues, licenses, advertising	925	17,050	17,975	2,112	-	20,087
Bank fees and interest	-	-	-	191	-	191
Depreciation and amortization	647	-	647	460	-	1,107
Total Expenses	<u>\$ 386,417</u>	<u>\$ 27,260</u>	<u>\$ 413,677</u>	<u>\$ 87,751</u>	<u>\$ 1,060</u>	<u>\$ 502,488</u>
Percent of Total	76.9%	5.4%	82.3%	17.5%	0.2%	100.0%

The accompanying notes are an integral part of these financial statements.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2022 and 2021

NOTE 1 DESCRIPTION OF ORGANIZATION

Organization – Discover Polk Community Benefit District (“DPCBD”) (the “Corporation”) is a not-for-profit community-based organization, whose mission is to improve the quality of life for all residents, businesses and visitors to the Polk Street neighborhood, centered along the Polk Street corridor from California Street to Broadway Street. The Polk Street neighborhood contains an eclectic mix of unique small and independent businesses, and DPCBD aims to support and provide funding for enhanced maintenance, hospitality, beautification and business support programs, above and beyond those provided by the City of San Francisco.

DPCBD will advance the quality of life for residents, workers and visitors by fostering a safer and more secure community, enhancing environmental quality and beauty, and reinforcing the viability of the area’s economic base.

DPCBD exists to implement programs to create a neighborhood that is safer, cleaner and a better place to conduct business and live. These programs and services are funded by district property owners in the Discover Polk neighborhood, contributions from donors, and various grants.

Programs and services provided by DPCBD include:

Environmental Enhancements – This program includes litter and graffiti removal, pressure washing sidewalks, spot or detailed cleaning of public areas, safety patrols, outreach and case management with the homeless, landscaping, planters, seasonal decorations, cosmetic improvements, lighting, signage, and similar items.

Economic Enhancements – This program includes support for businesses within the district including dining, shopping, and services to promote a healthy and vibrant mixed use environment; marketing and communications to support all components of the DPCBD’s Management Plan; local events such as pop-up art galleries, outdoor concerts or movies, farmers’ markets, community events, or similar programs.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting – The financial statements of the DPCBD are prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles, which reflects revenue when earned and expenses as incurred.

Cash and Cash Equivalents - Cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and investments so near their maturity that the risk of changes in value due to changes in interest rates is negligible. These are generally investments with maturity dates within three months of the acquisition date.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2022 and 2021

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation – The DPCBD is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - Net assets that are not subject to any donor-imposed restrictions.

Net assets with donor restrictions – Net assets that are restricted by a donor for use for a particular purpose or in a particular period. Some donor imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

As of June 30, 2022 and 2021, there were no net assets with donor restrictions.

Fair Value Measurements – The DPCBD carries certain assets and liabilities at fair value. Fair value is defined as the price that would be received if selling an asset or paid if transferring a liability in an orderly transaction between market participants at the measurement date. Fair value measurement standards also require the DPCBD to classify these financial instruments into a three-level hierarchy. The DPCBD classifies its financial assets and liabilities according to the below three levels, and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value.

Level 1 – Quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities, without adjustment.

Level 2 – Quoted prices in markets that are not considered to be active for identical or similar assets or liabilities, quoted prices in active markets of similar assets or liabilities, and inputs other than quoted prices that are observable or can be corroborated by observable market data.

Level 3 – Inputs that are both significant to the fair value measurement and unobservable, including inputs that are not derived from market data or cannot be corroborated by market data.

The DPCBD's carrying amounts of its assets and liabilities, approximate fair value under Level 1 for the years ended June 30, 2022 and 2021.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2022 and 2021

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Equipment - The DPCBD records equipment at cost of acquisition, or, if donated, the fair market value at the date of donation. Depreciation is recognized using the straight-line method over the useful lives of the assets, which range from three to five years. The DPCBD capitalizes all property, equipment, and improvements with a cost in excess of \$2,500.

Contributions, Revenue Recognition, and Assessments Receivable – Assessments and other receivables represent amounts due from the City and County of San Francisco (CCSF) for obligations of local property owners collected on the behalf of DPCBD, and other amounts due to DPCBD. Unpaid receivables do not accrue interest.

DPCBD receives its support primarily from a special assessment levied by CCSF on properties located within the business district in accordance with CCSF Ordinance. The assessment is recorded by DPCBD when earned. The CCSF remits the assessments to DPCBD as they are collected from the property owners. Interest is not charged on late assessments; however, late penalties are charged in accordance with the CCSF's policy.

All donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Accounts Receivable - Contributions receivable are reviewed for collectability, and reserves for uncollectible amounts are established as needed. It is the practice of the Corporation to expense uncollectibles only after exhausting all efforts to collect the amounts due. DPCBD considers all unconditional promises to give fully collectible and therefore, there was no allowance for doubtful accounts at June 30, 2022 and 2021.

Advertising Costs – It is the policy of the DPCBD to expense advertising costs as incurred.

Functional Allocation of Expenses - The costs of providing the various programs, supporting services and other activities have been summarized on a functional basis in the Statement of Activities and Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates and analysis of personnel time spent on each program and activity.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual future results could differ from those estimates.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2022 and 2021

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes - The DPCBD is exempt from federal and state taxes under Section 501(c) (3) of the Internal Revenue Code (IRC) and Section 23701d of the California Revenue and Taxation Code, and is considered by the IRS to be a Corporation other than a private Foundation. In the opinion of management, there is no unrelated business income.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, Leases (Topic 842). Under the amendments in this ASU, a lessee should recognize the assets and liabilities that arise from leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. This ASU was originally effective for fiscal years beginning after December 15, 2019. In July 2019, the FASB approved a proposal to defer, for one year, the implementation of this ASU for nonpublic companies and in May 2020, the FASB approved an additional one year deferral. This ASU will now be effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Corporation has implemented this ASU and has determined there are no lease obligations requiring capitalization.

In September 2020, the FASB issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. Under this ASU, a not-for-profit entity is required to present contributed nonfinancial assets as a separate line-item in the statement of activities, apart from contributions of cash and other financial assets as well as include enhanced disclosures surrounding the nature and valuation techniques of the contributed nonfinancial assets. This ASU is effective for fiscal years beginning after June 15, 2021 and the Corporation has implemented this ASU.

NOTE 3 FIXED ASSETS

Fixed assets consist of the following:

	<u>2022</u>	<u>2021</u>
Computer and office equipment	\$ 2,301	\$ 2,301
Machinery and equipment	7,894	7,894
Accumulated depreciation and amortization	(3,317)	(1,728)
Equipment, net	<u>\$ 6,878</u>	<u>\$ 8,467</u>

Depreciation and amortization expense was \$1,588 and \$1,107 for the years ended June 30, 2022 and 2021, respectively.

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2022 and 2021

NOTE 4 COMMITMENTS

DPCBD subleases storage space in San Francisco, California under an operating lease that commenced on February 1, 2020 and expires June 30, 2023, with opportunity to renegotiate at that time. The lease calls for monthly payments at \$3,000 with estimated future payments as follows:

Fiscal year ended,	
June, 30	
<u>2023</u>	<u>\$ 36,000</u>

During the years ended June 30, 2022 and 2021, DPCBD paid rent in the amount of \$36,000 for each year.

DPCBD contracts with two entities to help with management, governance, and executing the mission of DPCBD.

Tonic Nightlife LLC, a management company that performs functions of governance for DPCBD is in contract for \$128,000 per year through June 30, 2022 and renews on a perpetual basis until cancelled by either party with a 60 day written notice.

DPCBD contracts annually with Streetplus for \$339,422 to perform activities including daily sidewalk cleaning, graffiti abatement, and pressure washing of trouble spots. This contract expires November 30, 2022 and thereafter is extendable for 1 year with 60 days written notice from DPCBD to Streetplus.

NOTE 5 LIQUIDITY MANAGEMENT

As part of DPCBD's liquidity management strategy, the Corporation structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Corporation's working capital and cash flows have cyclical variations during the year attributable to the cash receipts of assessments and grants. The Corporation has sufficient cash and cash equivalents to meet its current needs.

Current liquidity at June 30, 2022 can be quantified as follows:

Cash and cash equivalents	\$ 755,042
Accounts receivable	<u>36,909</u>
Financial assets available for current needs	<u>\$ 791,951</u>

DISCOVER POLK COMMUNITY BENEFIT DISTRICT
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2022 and 2021

NOTE 6 CORONAVIRUS PANDEMIC

The United States and global markets continue to experience significant volatility resulting from uncertainty caused by the world-wide Coronavirus Pandemic. The Corporation is closely monitoring its revenue sources, investment portfolio and its liquidity and is actively working to minimize the impact of these price movements. The Corporation's financial statements do not include adjustments to fair value that may have resulted from these changes.

NOTE 7 FUNDRAISING REQUIREMENTS

The CCSF's contract requires DPCBD to annually raise not less than 3.375% of its annual budget from sources other than CCSF's assessments. For the year ended June 30, 2022 DPCBD satisfied this requirement, but did not satisfy this requirement for the year ended June 30, 2021. DPCBD believes that a waiver will be granted for the requirement for 2021 due to the Coronavirus.

NOTE 8 RECLASSIFICATION OF PRIOR YEAR PRESENTATION

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations. These changes in classification do not affect previously reported cash flows from operating activities in the Statements of Cash Flows.

NOTE 9 CONCENTRATION OF RISK

Revenue concentration of risk – During the years ended June 30, 2022 and 2021, DPCBD received 90 and 97%, respectively of its total income from the City and County of San Francisco in the form of assessments.

As of June 30, 2022, DPCBD had cash balances with financial institutions which exceeded the Federal Deposit Insurance Corporation insured limit of \$250,000 by approximately \$335,600.

NOTE 10 SUBSEQUENT EVENTS

Management has evaluated all material subsequent events through the Auditor's Report date, the date the financial statements were available to be issued, and are asserting there are none.

MEMORANDUM

TO: Supervisor Aaron Peskin, District 3 Supervisor and President of the Board of Supervisors

CC: San Francisco Board of Supervisors
Chris Corgas; Deputy Director, Community Economic Development, OEWD

FROM: Jackie Hazelwood, Program Director, Community Economic Development, OEWD

DATE: 12/10/2023

SUBJECT: Discover Polk Community Benefit District; FY 2021-2022 Annual Report

This is a memo summarizing the accomplishments of the Discover Polk Community Benefit District and an analysis of its financial statements for the period between July 1, 2021 and June 30, 2022.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Discover Polk CBD has complied with the submission of all these requirements. OEWD staff reviewed these financial documents to monitor and report on whether they have complied with the rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the Discover Polk CBD management contract with the City; and their Management Plan approved by the Board of Supervisors in 2018.

Also attached to this memo are the following documents:

1. Annual Report
 - a. FY 2021-2022
2. Financial Statements
 - a. FY 2021-2022
3. Draft resolution from the Office of Economic and Workforce Development



Background

The Discover Polk Community Benefit District includes 570 property-based parcels.

- July 24, 2018: the Board of Supervisors approved the resolution that established the property-based district called the Discover Polk Community Benefit District for 11 years commencing with FY 2018-2019 (Resolution # 238-18).
- November 13, 2018: the Board of Supervisors approved the resolution approving an agreement with the nonprofit Owners' Association for administration/management of the established property-based Community Benefit District known as the “Discover Polk Community Benefit District” (Resolution #402-18).
- January 25, 2022: the Board of Supervisors approved the annual report for Fiscal Year 2019-2020. (Resolution # 23-22).
- November 29, 2022: the Board of Supervisors approved the annual report for Fiscal year 2020-2021. (Resolution # 504-22)

Basic Info about Discover Polk CBD

Year Established	July 2018
Assessment Collection Period	FY 2018-19 to FY 2028-29 (July 1, 2014 to June 30, 2029)
Services Start and End Date	January 1, 2019 – December 31, 2029
Initial Estimated Annual Budget	\$622,784.00
FY 21-22 Assessment Submission	\$635,983.00
Fiscal Year	July 1 – June 30
Executive Director(s)	Duncan Talento Ley; co-Executive Director Ben Bleiman; co-Executive Director
Name of Nonprofit Owners’ Entity	Discover Polk Community Benefit District

The current CBD website, <https://discoverpolk.org/>, includes all the pertinent information about the organization and their programs, meeting agendas, and their Management Plan.

Summary of Service Area Goals

Environmental Enhancements

Environmental enhancements are designed to make the neighborhood a more welcoming, clean, and beautiful place for all live, work, play, and visit the area. Sometimes, they are also categorized as the Clean & Safe Program and Beautification & Placemaking Program. The CBD’s Management Plan provides for the weekly deployment of 250 hours of uniformed Cleaning and Hospitality Ambassadors throughout the district whose duties include: litter removal, detail cleaning of public amenities, graffiti removal, weed removal, pressure washing of sidewalks, and requested spot cleanings. Additionally, this service area includes funding for beautification and placemaking which is designed to invest in highly visible improvements to add to the attractiveness of public spaces throughout the district, including: landscaping, seasonal decorations, wayfinding, and temporary or permanent public art installations.



Economic Enhancements

Economic enhancements are designed to strengthen the district’s business corridor. This is also referred to as marketing, business support, etc. program. This includes business support which includes time spent to attract new tenants, new investments, and to promote continued mixed-use development. Additionally, this service areas funds a marketing and communications program. This program is focused on creating awareness of the environmental enhancements performed by the CBD and of the district’s business offerings. It also supports property owners in efforts to attract unique tenants and explores ways to connect district residents to local stores and restaurants, such as “buy local” campaigns and the development of a district directory, district website, and supporting social media.

District Coordinator, Administration, and Reserve

To maximize the benefits to rate payers, the CBD requires a professional staff to properly manage programs, communicate with stakeholders, and provide leadership. Additional administrative costs may include: accounting and financial review or audits, insurance, program support costs, and other administrative costs associate with the overhead and administrative support of programming. Additionally, a reserve is budgeted to provide a contingency for unforeseen program needs and to provide a cushion for delinquent assessments. Reserve funds may also be used for costs associated with strategic planning and renewal.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

FY 2021-2022

Environmental Enhancements

- Removed 17,675 pounds of trash
- Responded to 1,425 311 requests
- Cleaned 890 animal feces incidents
- Abated 552 instances of graffiti
- Properly disposed 200 needles
- Swept sidewalks 12,660 times
- Pressure washed 861 block faces
- Topped 20 overflowing trash cans
- Replaced three of the five Big Belly trash cans destroyed by an arsonist
- Continued to augment tree lights in partnership with SF Holiday Lighting Pros
- Funded and facilitated installation of two large scale murals in partnership with ‘Painting the Void’

Economic Enhancements

- Executive Management Team commenced regular meetings of the Marketing & Communications Working Group with the board.
- Utilized their “Master Comms List,” an email database of local residents, businesses, and other stakeholders, to disseminate monthly newsletters and build growth on the CBD’s social media platforms
- Hosted family friendly event in partnership with the City of SF’s Fleet Week Celebration attracting over 200 families to the event



- Hosted family friendly holiday event with over 200 families and children in attendance
- Produced and executed first annual “Pickin’ on the Polk” music festival on the Friday and Saturday of Easter Weekend 2022
- Renewed contract for banners on Polk Street advertising the district’s various businesses

District Coordinator, Administration, and Reserve

- Nominated and elected two new board members

DPCBD Annual Budget Analysis

OEWD’s staff reviewed the following budget related benchmarks for DPCBD:

- **BENCHMARK 1:** Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan (*Agreement for the Administration of the “Discover Polk Community Benefit District”, Section 3.9 – Budget*)
- **BENCHMARK 2:** Whether three and thirty-six hundredths percent (3.36%) of actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the “Discover Polk Community Benefit District”, Section 3.4 - Annual Reports*)
- **BENCHMARK 3:** Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percent (*Agreement for the Administration of the “Discover Polk Community Benefit District”, Section 3.9 – Budget*)
- **BENCHMARK 4:** Whether DPCBD is indicating the amount of funds to be carried forward into the next fiscal year and designating projects to be spent in current fiscal year (*CA Streets & Highways Code, Section 36650(B)(5)*)

FY 2021-2022 Budget Analysis

BENCHMARK 1: Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan

ANALYSIS: DPCBD met this requirement. See tables below.

Service Category	Management Plan Budget		FY2021-2022 Budget		Variance	
	Assessment (%)	Total (%)	Assessment (%)	Total (%)	Assessment	Total
Environmental Enhancements	\$460,677.00 (67.44%)	\$486,208.68 (67.44%)	\$461,893.00 (66.30%)	\$495,188.00 (67.84%)	-1.14%	+0.40%
Economic Enhancements	\$86,822.00 (12.04%)	\$86,802.38 (12.04%)	\$86,822.00 (12.46%)	\$86,822.00 (11.89%)	+0.42%	-0.15%
District Coordinator, Administration & Reserve	\$147,926.00 (20.52%)	\$147,936.94 (20.52%)	\$147,926.00 (21.23%)	\$147,926.00 (20.27%)	+0.71%	-0.25%



TOTAL	\$695,425.00	\$720,950.00	\$696,641.00	\$729,936.00		
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BENCHMARK 2: Whether three and thirty-six hundredths percent (3.36%) of actuals came from sources other than assessment revenue

ANALYSIS: *DPCBD met this requirement. Assessment revenue was \$635,983.00 or 90.17% of actuals and non-assessment revenue was \$69,355.00 or 9.83% of actuals. See table below.*

Revenue Sources	FY2022 Actuals	% of Actuals
Total Assessment (Special Benefit) Revenue	\$635,983.00	90.17%
Grants	\$69,355.00	
Total Non-Assessment (General Benefit) Revenue	\$69,355.00	9.83%
Grand Total (Assessment and Non-Assessment) Revenue	\$705,338.00	

BENCHMARK 3: Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percentage points

ANALYSIS: *DPCBD did not meet this requirement. See table below.*

	FY2021-2022 Budget		FY2021-2022 Actuals		Variance	
Service Category	Assessment (%)	Total (%)	Assessment (%)	Total (%)	Assessment	Total
Environmental Enhancements	\$461,893.00 (66.30%)	\$495,188.00 (67.84%)	\$482,667.00 (71.55%)	\$552,022.00 (73.70%)	+5.25%	+5.86%
Economic Enhancements	\$86,822.00 (12.46%)	\$86,822.00 (11.89%)	\$137,526.00 (20.39%)	\$137,526.00 (18.36%)	+7.92%	+6.47%
District Coordinator, Administration & Reserve	\$147,926.00 (21.23%)	\$147,926.00 (20.27%)	\$54,372.00 (8.06%)	\$59,472.00 (7.94%)	-13.17%	-12.33%
TOTAL	\$696,641.00	\$729,936.00	\$674,565.00	\$749,020.00		



BENCHMARK 4: Whether DPCBD is indicating the amount of funds to be carried forward into the next fiscal year and designating projects to be spent in current fiscal year

ANALYSIS: DPCBD met this requirement. *Please note: There is a period between when the City collects assessment payment and when the City disburses the funds to the CBD. As a result, a CBD typically has a fund balance at the end of the fiscal year that is equal to about 6 months of their annual budget. See table below.*

FY 2021-2022 Carryover Disbursement	As of 6/30/22	FY23	Thereafter
Special Assessment Project	\$762,685.00		
Clean & Safe Program		\$302,138.00	
Beautification & Placemaking		\$50,356.00	
Marketing, Business Support, Etc		\$62,945.00	
Administration & Reserve		\$107,246.00	
Commitment for last 6 months			\$240,000.00
Total Carry Forward	\$762,685.00	\$522,685.00	\$240,000.00

Findings and Recommendations

DPCBD has met three of four benchmarks as defined on page 4 and 5 of this memo as set by California Streets and Highways Code Section 36650-36651; and the Agreement for the Administration of the “Discover Polk Community Benefit District.” DPCBD missed Benchmark 3 which compares the organization’s fiscal year budget to the fiscal year actuals. Per Section 3.9 of the *Agreement for the Administration of “Discover Polk Community Benefit District,”* each CBD is allotted a ten (10) percent deviation from their management plan. If they do not meet this, OEWD must determine if this deviation adversely impacts the special benefits conferred on parcels within the CBD.

In this particular situation, Discover Polk CBD missed Benchmark 3 by overbudgeting by 3.17% above the allowable 10 percentage points for the District Coordinator, Administration & Reserve operations. In order to determine if these actions adversely impacted special benefits conferred on parcels within the CBD, OEWD reviewed the CBD’s management plan and engineer’s report approved on August 2, 2018 (File #180621). According to the Management Plan, District Coordinator and Administration services are apportioned to all by lot size and the parcels, so the parcels continued to receive special benefit. It is in OEWD’s opinion that these actions did not adversely impact special benefits conferred on parcels within the CBD.



During this review period, the DPCBD continued to focus on recovery efforts for the district following the Covid-19 pandemic. In addition to the organization's core cleaning and safety related services - which are vital for ratepayers and businesses alike at all times but were particularly so during the pandemic - the DPCBD focused efforts on supporting the community as it continued to respond to impacts caused by the pandemic. The CBD devoted their time and resources toward streetscape improvements and small-scale outdoor community events, as well as supporting property owners, merchants, and residents to address the impacts of lockdown.

Toward the latter half of the fiscal year, DPCBD saw a return of visitors to their streets with customers and in-person gatherings subsequently increasing. Accordingly, they launched a new event – a district-wide music festival “Pickin’ on the Polk” that was free to the public and took place on the Friday and Saturday of Easter Weekend inside several local businesses and along a small street closure in the district. The CBD plans to make this an annual event moving forward within the district and continue to find ways to activate the corridor.

The DPCBD proceeded with fiscal caution throughout the pandemic due to the uncertainty on the impact on assessment revenues. Given that this impact was not significant and to meet potential expenses that were deferred in FY21-22, OEWD is supportive of DPCBD and Executive Management Team and its plans to allocate more reserve funding to meet the district's objectives in FY22-23.

There were no reported violations to OEWD of the Brown Act or California Public Records Act for this organization during this reporting period.

Conclusion

The Discover Polk CBD has performed well in implementing the services outline in their management plan and addressing new realities caused by the Covid-19 global pandemic. DPCBD has done an outstanding job in partnering with community stakeholders and numerous municipal agencies for the activation and improvement of public spaces. DPCBD is a well-run organization with an active Board, committee members and will continue to successfully carry out its mission as a community benefit district.



BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Sarah Dennis-Phillips, Executive Director, Office of Economic and Workforce Development
Ben Rosenfield, City Controller, Office of the City Controller

FROM: Stephanie Cabrera, Assistant Clerk

DATE: December 18, 2023

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Aaron Peskin on December 12, 2023:

File No. 231279

Resolution receiving and approving an annual report for the Discover Polk Community Benefit District for Fiscal Year (FY) 2021-2022, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, *et seq.*), Section 36650, and the District's management agreement with the City, Section 3.4.

If you have any additional comments or reports to be included with the file, please forward them to Alisa Somera at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: Alisa.Somera@sfgov.org.

cc:

Anne Taupier, Office of Economic and Workforce Development
Alesandra Lozano, Office of Economic and Workforce Development
Todd Rydstrom, Office of the City Controller



Community Benefit District Annual Reports

FY 2021-2022

- Noe Valley CBD
- Castro CBD
- Discover Polk CBD



Legislative Overview

Community Benefit Districts (CBDs) / Business Improvement Districts (BIDs) are governed by:

- State law
 - “1994 Act”
- Local law
 - “Article 15”

Review Process

- OEWD ensures that all CBDs/BIDs are meeting their management plans.
- OEWD staff conducts an annual review of the Annual Reports and CPA Financial Reviews.
- OEWD provides the Board of Supervisors with a summary memo.

Basic Information

CBD Name	Type	Management Plan Assessment Budget	FY21-22 Assessment Roll Submission	Year(s) Formed and Renewed	Expires
Noe Valley CBD	Property-based	\$255,000	\$248,541.48	2005, 2020	2035
Castro CBD	Property-based	\$819,403.41	\$819,039.92	2005, 2020	2035
Discover Polk CBD	Property-based	\$622,784.00	\$635,983.00	2018	2029

Benchmarks

OEWD's staff reviewed the following budget related benchmarks for each CBD/BID:

- Benchmark 1 - Whether the variance between the budget amounts for each service category was within 10 percentage points from the management plan.
- Benchmark 2 - Whether the CBD met its non-assessment revenue source requirement.
- Benchmark 3 - Whether the variance between the budget amounts for each service category was within 10 percentage points from the fiscal actuals.
- Benchmark 4 - Whether CBD is indicating the amount of funds carried over from the current fiscal year and designating projects to be spent in the upcoming fiscal year.

Noe Valley - Benchmarks

Benchmark	Question	Was This Met in FY2022?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue is $X \geq 5\%$	Yes
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes
Benchmark 4	Were carryforward funds indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	No

Noe Valley- Findings and Recommendations (Part 1 of 2)

Missed Benchmarks (Benchmark 1)

- Noe Valley CBD missed Benchmark 4 which requires the CBD to detail its **carryforward amount and its planned spenddown plan. The CBD's financial** statements does indicate the amount of money it has in reserves, but does not provide a spenddown plan. State code specifically calls for both parameters to be in the annual report.
 - Recommendation: OEWD will review guidelines with the CBD and remind them of their obligation to include this in their annual report. OEWD will also review the carryforward amount with the executive director and **understand the CBD's spenddown plan. Should this oversight occur again,** OEWD may make additional recommendations or take additional action.

Noe Valley- Findings and Recommendations (Part 2 of 2)

- Service Delivery: The Noe Valley Management Plan calls for 65% of the budget to be spent on Public Rights of Way and Sidewalk Operations, including sidewalk cleaning, sweeping litter, debris and refuse; sidewalk pressure washing; graffiti removal; and greenscape management covering watering and weeding tree wells, providing gardens, benches, planter boxes, hanging flower baskets and parklets.
 - The CBD was awarded \$115,000 in grants from OEWD and Supervisor Mandelman to activate Noe Valley Town Square. Although events in the Noe Valley Town Square were largely suspended due to the pandemic, the CBD continues to activate the public space and see people utilizing the space.
- Connected Worker App: The CBD is not part of the Connected Worker App, also **known as Integrated 311. Based on the size and scope of the CBD's services this makes** operational sense for them.
- Surveillance Technology: The CBD does not employ surveillance technology and is in **compliance with OEWD's memo regarding this technology.**
- Compliance: There were no reported violations to OEWD of the Brown Act or CA Public Records Act

Castro - Benchmarks

Benchmark	Question	Was This Met in FY2022?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue is $X \geq 5.41\%$	Yes
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes
Benchmark 4	Were carryforward funds indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes

Castro CBD - Findings and Recommendations

- Service Delivery: The CBD has a strong focus on cleanliness. 73% of their assessment dollars went to providing cleaning services within their service area.
 - The Castro CBD is also responsible for implementing various programs apart from special assessment funding, including Castro Cares and addressing storefront vacancies within its service zone. Castro Cares deploys community ambassadors seven days a week to provide outreach and referral to the most vulnerable. It also helps merchants resolve street level challenges, provides hospitality and wayfinding services, and helps deter negative street behavior.
- Connected Worker App: Castro CBD is not part of the Connected Worker App. Based **on the size and scope of the CBD's cleaning program it may make sense for them to** engage in conversations about joining this pilot.
- Surveillance Technology: The CBD does not employ surveillance technology.
- Compliance: There were no reported violations to OEWD of the Brown Act or CA Public Records Act.

Discover Polk - Benchmarks

Benchmark	Question	Was This Met in FY2022?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue is $X \geq 3.36\%$	Yes
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	No
Benchmark 4	Were carryforward funds indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes

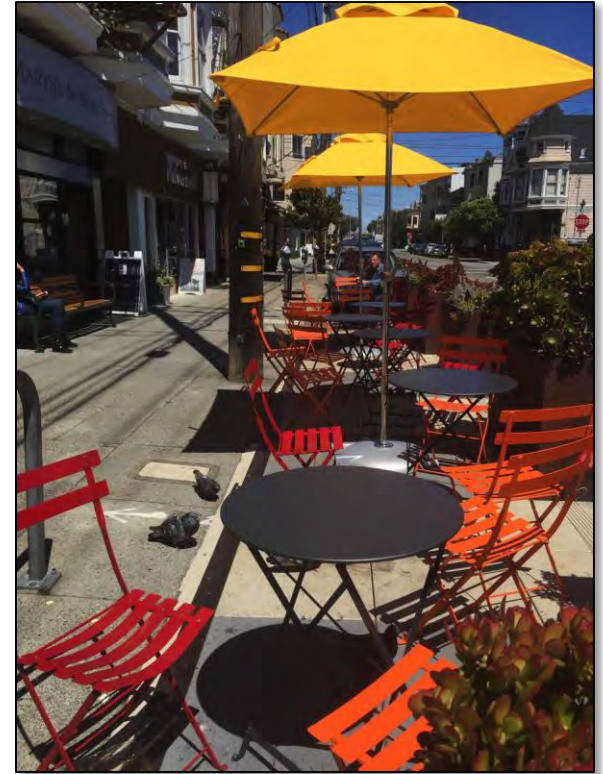
Discover Polk- Findings and Recommendations (Part 1 of 2)

Missed Benchmarks (Benchmark 3)

- Discover Polk CBD missed Benchmark 3 by overbudgeting by 3.17% above the allowable 10 percentage points for the District Coordinator, Administration & Reserve operations.
- **OEWD reviewed the CBD's management plan and engineer's report approved on August 2, 2018 (File #180621).** According to the Management Plan, District Coordinator and Administration services are apportioned to all by lot size and the parcels, so the parcels continued to receive special benefit.
- **It is in OEWD's opinion that these actions did not adversely impact special** benefits conferred on parcels within the CBD.

Discover Polk- Findings and Recommendations (Part 2 of 2)

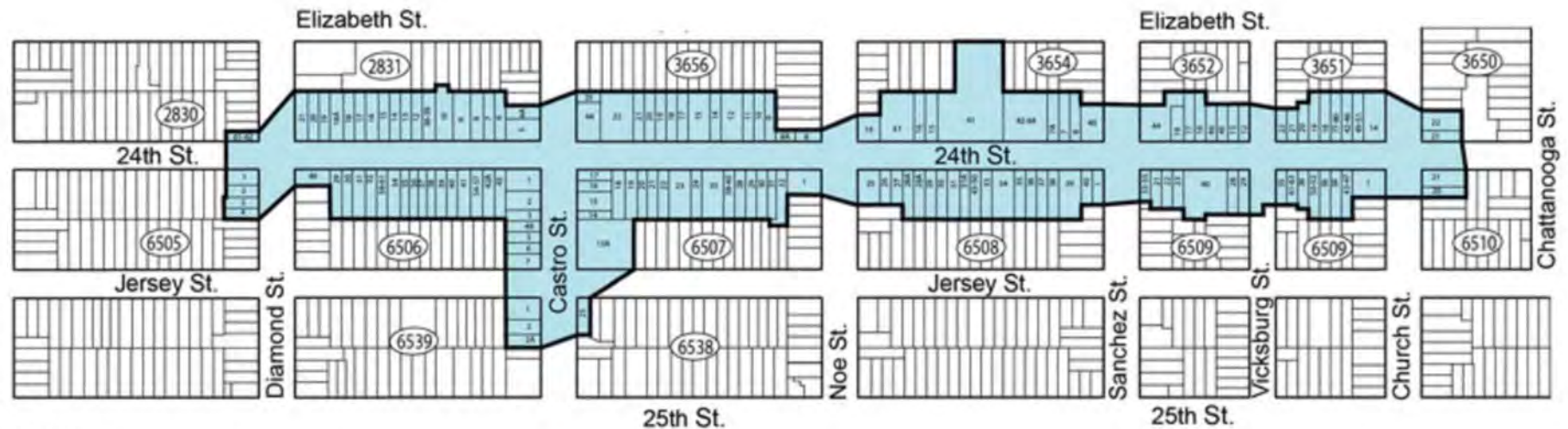
- Service Delivery: During this review period, the DPCBD focused on recovery efforts for the district following the pandemic. The CBD devoted their time and resources toward streetscape improvements and small-scale outdoor community events, as well as supporting property owners, merchants, and residents to address the impacts of the lockdown.
 - DPCBD has excelled at partnering with community stakeholders and numerous municipal agencies for the activation and improvement of public spaces.
 - DPCBD launched a district-**wide music festival “Pickin’ on the Polk” that was free** to the public and took place on the Easter Weekend inside several local businesses and along a small street closure in the district. The CBD plans to make this an annual event moving forward within the district and continue to find ways to activate the corridor.
- Compliance: There were no reported violations to OEWD of the Brown Act or CA Public Records Act



Noe Valley Association
A Community Benefit District
noevalleyassociation.org

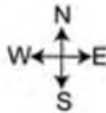
The Noe Valley Association - we clean, green and improve public space in the 24th Street commercial corridor.

Noe Valley CBD Area Map



LEGEND

- CBD Boundary
- Lot Boundary
- Block Number
- Lot Number



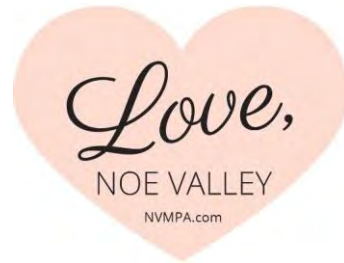
Noe Valley Association – Clean & Green

The NVA provides two full-time street porters and a part-time gardener.



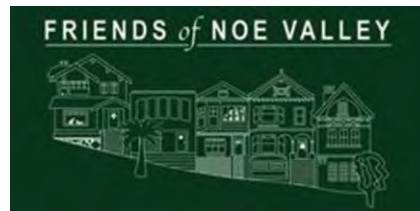
Noe Valley Association
A Community Benefit District
noevalleyassociation.org

NVA Partner Organizations



Noe Valley Merchants & Professionals Association

<http://www.noevalleymerchants.com>

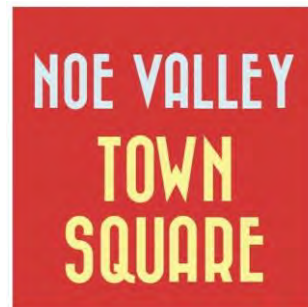


Friends of Noe Valley

<http://friendsofnoevalley.com>



Noe Valley Association
A Community Benefit District
noevalleyassociation.org



Noe Valley Town Square

<http://noevalleytownsquare.com>

Grants

NVA as Fiscal Agent for the
Noe Valley Town Square



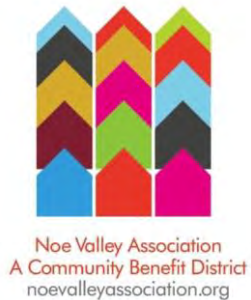
Day to Day Operations FYE 2022



Removal of **199** bulky trash items, furniture, mattresses, tree limbs, etc.



Removal of **536** graffiti marks, stickers, etc.



9 monthly sidewalk steam cleanings, March – November



Day to Day Operations FYE 2022



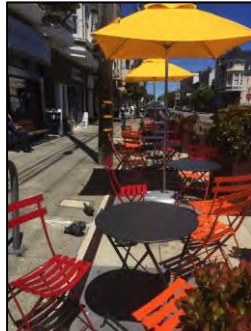
200 tree wells weeded and watered
by NVA gardener



27 Planters/sidewalk gardens replanted,
watered and maintained



Noe Valley Association
A Community Benefit District
noevalleyassociation.org



84 Chairs and tables maintained in
both public parklets on 24th Street
2 Public parklets maintained year-round
with flowers/plants

Day to Day Operations FYE 2022



4 Bigbelly garbage receptacles installed and maintained



Maintenance of **26** community benches and **20** bike racks



23 flower baskets hung every six months



Thank You.

www.noevalleyassociation.org



Noe Valley Association
A Community Benefit District
noevalleyassociation.org

Castro Community Benefit District July 2021 - June 2022

San Francisco Board of Supervisors Government & Oversight
Committee



DISTRICT MAP



Priorities For The Castro CBD

- Removing Trash/Litter/Hazardous Waste and Hazardous Materials from Sidewalks and Curb Line
- Steam Cleaning Sidewalks
- Graffiti Removal
- Removing Overflow from City Trashcans
- Homeless Outreach & Collaboration with City Services
- Beautification
- Commercial Vacancy Reduction
- Advocacy

Cleaning Services



CLEANING UP IN FY 2021-22

TRASH	109,260 pounds of trash removed
GRAFFITI	9,353 incidences of graffiti abated
NEEDLES	3,267 dirty/hazardous needles collected
CARDBOARD	21,232 yards of flattened cardboard
HUMAN FECES	11,845 incidences human feces removed

Homeless Outreach

Quick Local Response and Relationship Building

- Positive Presence Felt Throughout Neighborhood:
Assisted F-Line Operator
- 6 Months in 2022
 - Engaged with unhoused 904 times
 - 602 Wellness Checks
 - Administered Narcan 7 times

Community Ambassadors At Work



BEAUTIFICATION



BEAUTIFICATION



I'M AVAILABLE CAMPAIGN

I'm Available

Want to be a part of the Castro? With high walkability, easy public transit access, a magnet for the LGBTQ community and their allies locally and internationally, the Castro is one of the hottest districts in SF to open a new business. Find a home for your new store, restaurant, cafe or service here!



Use the QR code above to see a list of vacancies and leasing information and learn about all the Castro has to offer.

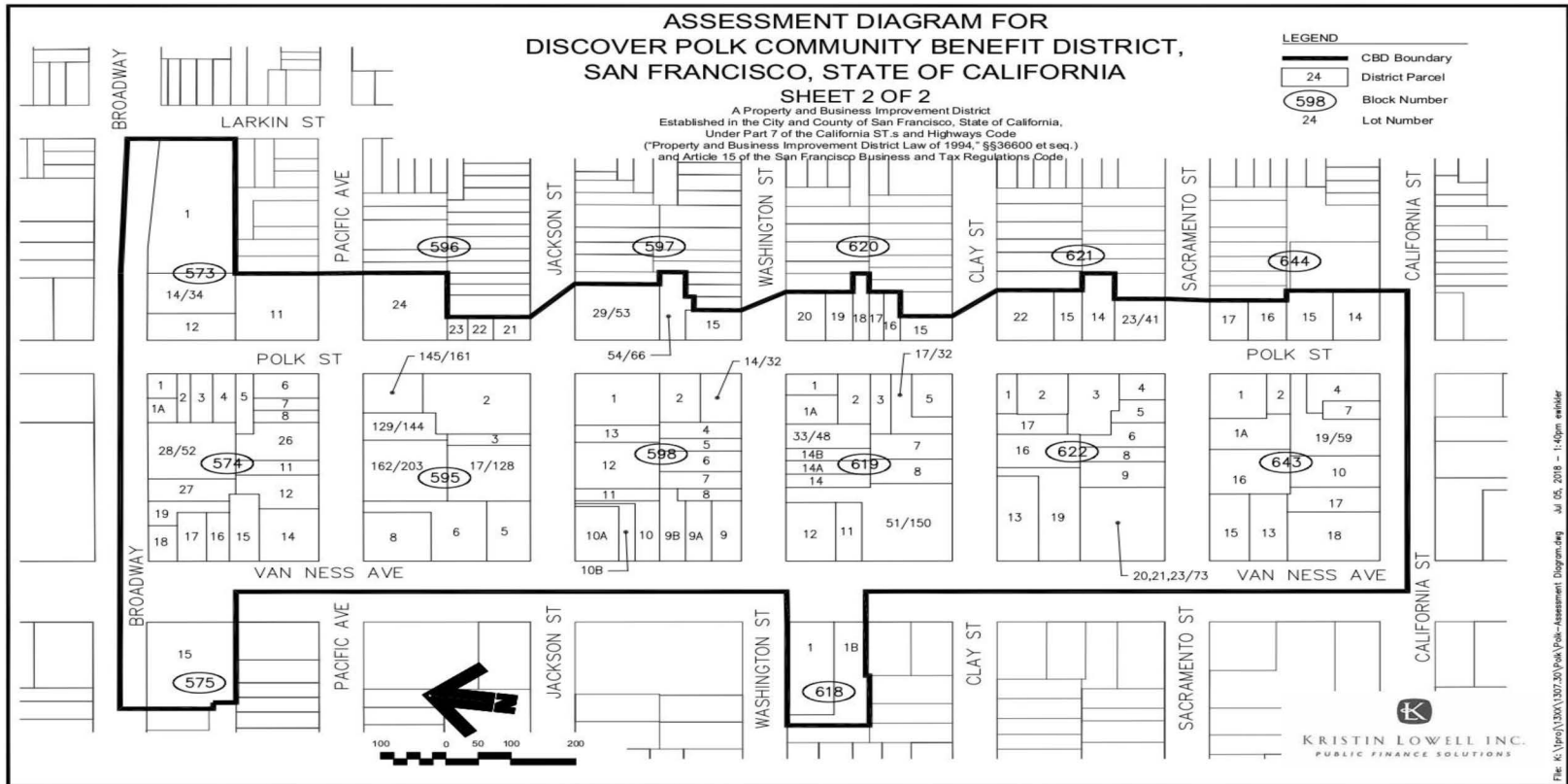


THANK YOU!

Annual Report Highlights – FY 21/22



District Map - 535 total parcels



Executive Summary

- During FY21-22 Discover Polk CBD focused its resources on two well-defined objectives, helping the community weather the impacts of the COVID-lockdown and adapting to the new realities of the “post-acute” phase of the pandemic.
 - From July 1st to approximately December 31st , DPCBD devoted its time and resources toward streetscape improvements and small-scale, outdoor community events, as well as supporting property owners, merchants, and residents to address the impacts of lockdown.
 - From approximately January 31st to June 30th 2022, DPCBD saw a return to more “normal” behaviors and community activity. On the positive side, this meant the return of visitors to our streets, customers, and in person gatherings – most notably the launch of our yearly district-wide music festival, Pickin’ on the Polk. On the negative, Covid-related street cleanliness and public safety issues persisted.

Neighborhood Cleanliness

- FY21-22 continued to see higher levels homelessness activity. As customer and residents returned to the streets, however, the overall cleanliness of the streets saw noticeable improvement.
- The StreetPlus team consistently accomplished their cleaning, graffiti abatement, and steam cleaning/power washing goals.
- Three of our five big belly trash cans were destroyed by an arsonist, but DPCBD swiftly replaced them with new cans.

Month	Animal Feces	Graffiti removed	Needles (# needles removed)	Sidewalk Sweeping	Pressure Washing- block faces cleaned
21-Jul	77	49	10	826	0
21-Aug	13	18	14	135	0
21-Sep	94	57	35	1906	28
21-Oct	27	31	14	574	86
21-Nov	77	77	11	722	64
21-Dec	110	24	17	1117	69
22-Jan	139	247	13	1404	47
22-Feb	157	13	7	969	38
22-Mar	106	10	2	687	50
22-Apr	142	27	14	1051	27
22-May	43	46	0	329	46
22-Jun	100	42	7	936	42
Total	1085	641	144	10656	497

Statement of Operations (Actual vs. Budget)

for the fiscal year ended June 30, 2022

	Actual	Budget	Variance Positive/(Negative)
REVENUE AND SUPPORT			
Assessments	635,983	696,640	(60,657)
Fundraising/In-Kind	69,355	33,295	36,060
Interest Income	0	0	0
TOTAL REVENUE AND SUPPORT	705,338	729,935	(24,597)
EXPENSES			
Clean & Safe Program	426,313	497,462	71,149
Beautification & Placemaking	125,709	224,276	98,567
Marketing, Business Support, Etc	137,526	63,953	(73,574)
Administration & Reserve	59,472	68,756	9,284
TOTAL EXPENSES	749,020	854,446	105,426
Change in Net Assets	-43,682	-124,511	80,829
Prior Year Net Assets (Carryover)	806,367	806,367	0
TOTAL NET ASSETS	762,685	681,856	80,829

Statement of Financial Position

As of 06/30/2022

ASSETS

Cash and Cash Equivalents	755,042
Assessment and Other Receivables	36,909
Prepaid Expenses	4,200
Equipment, net	6,879
TOTAL ASSETS	803,030

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	40,344
TOTAL LIABILITIES	40,344

NET ASSETS

Without Donor Restrictions	762,685
With Donor Restrictions	
TOTAL NET ASSETS (CARRYOVER)	762,685
TOTAL LIABILITIES & NET ASSETS	803,030

Financial Notes

Budget Vs Management Variance

- Revenues and expenses followed very closely to plan for the fiscal year. Assessment revenues were lower than expected due to the COVID crisis but were offset by lower-than-expected expenses and higher than expected fundraising efforts.

Expense

- Overall expenses for the fiscal year are under budget by \$105,426.

Clean & Safe

- Clean & Safe expenses are significantly under the budget by \$71,149 due to understaffing issues at StreetPlus mostly related to the COVID crisis.

Beautification & Placemaking

- Beautification & Placemaking expenses are \$98,567 lower than budgeted. The Discover Polk CBD Board of Directors made a conscientious decision to reserve Beautification & Placemaking expenses until FY22/23 to mitigate any budget deficits that might arise, specifically on collection assessments, due to Covid.

Marketing & Business Support

- Marketing & Business Support expenses are \$73,574 over the budgeted plan due to expenses incurred around our first annual Pickin' on the Polk music festival.

Admin & Reserve

- Admin & Reserve expenses are \$9,284 under the budgeted plan due to hiring of a social media management service later in the fiscal year than anticipated.

Carryover Status

- DPCBD has a carryover of \$762,685.

Other Notable Items

- DPCBD continued to proceed with fiscal caution throughout the COVID crisis due to uncertainty on the impact of the pandemic on assessment revenues. Thankfully, the crisis did not impact assessment revenues significantly. The Board of Directors and Executive Management team plan to allocate more of the reserve funds toward meeting the district's objectives in FY2022-2023.

Conclusion

2021/2022 was another year of cautious fiscal management as the impacts of the pandemic dragged on further than had been expected. We were extremely fortunate that our assessments came in at (or very near to) budget. We managed to stay within budget while keeping ample reserves due to COVID related risks. As the City recovers more fully from the pandemic, Discover Polk CBD will actively spend down its reserves – prudently - to increase the vibrancy, safety, and cleanliness of the neighborhood.

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one):

- ☐ 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- ☐ 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- ☐ 3. Request for Hearing on a subject matter at Committee
- ☐ 4. Request for Letter beginning with "Supervisor inquires..."
- ☐ 5. City Attorney Request
- ☐ 6. Call File No. from Committee.
- ☐ 7. Budget and Legislative Analyst Request (attached written Motion)
- ☐ 8. Substitute Legislation File No.
- ☐ 9. Reactivate File No.
- ☐ 10. Topic submitted for Mayoral Appearance before the Board on

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
- ☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- ☐ Yes ☐ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Subject:

Long Title or text listed:

Signature of Sponsoring Supervisor: